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## SENATE BILL 6680

State of Washington 55th Legislature 1998 Regular Session

By Senators Haugen, Johnson, Brown and Rossi

Read first time 01/27/98. Referred to Committee on Energy & Utilities.

- 1 AN ACT Relating to damage caused by excavating activity; and adding
- 2 a new section to chapter 19.122 RCW.

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- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 4 <u>NEW SECTION.</u> **Sec. 1.** A new section is added to chapter 19.122 RCW 5 to read as follows:
  - (1) For the purposes of this section:
- 7 (a) "Residential property" means a single or multihousehold 8 structure used exclusively as a dwelling.
- 9 (b) "Liability" means property damage and personal injury to 10 owners, occupiers, and guests.
- 11 (c) "Occupier" means someone entitled to possession of the premises 12 under a lease or similar right, and does not include trespassers.
- (d) "Prevailing party" means the party that improves his or her position as a result of an arbitrator's award or a trial de novo following such an award.
- (2) In addition to other duties under this chapter, an excavator is liable to the owner, occupier, or any guest of any owner or occupier of residential property for any damage that is the direct proximate cause of its excavating activity without regard to fault, compliance with

p. 1 SB 6680

1 this chapter, or whether the damage was caused in part by the act of 2 another.

- (3) In the event of such damage or personal injury, the excavator shall make payment within thirty days of a written demand from the party entitled to payment of such amounts as the parties are able to agree. The written demand shall clearly set forth each item for which reimbursement is sought, including medical treatment payments known at the time of the demand, and where appropriate, the method used to calculate the demand amount. The demand shall also indicate whether further amounts will be demanded due to costs expected to be incurred, but not yet known by the party seeking payment.
- (4) As to those amounts to which the parties are unable to agree, the claimant is entitled to submit the claim to arbitration under the mandatory arbitration provisions of chapter 7.06 RCW, without regard to the monetary limits in that chapter. However, if the amount in controversy exceeds those limits, the claimant has the option of proceeding with an action in the appropriate superior court.
- (5) The excavator is liable for interest on all amounts eventually awarded by an arbitrator or court in excess of amounts paid to the claimant prior to award or entry of a judgment at the rate of ten percent per annum from the time of the demand until payment.
  - (6) In any proceeding under this section where the arbitrator or judge makes written findings that a defense to a demand by a claimant was frivolous and advanced without reasonable cause, the claimant is entitled to an additional award equal to the amount proved at the arbitration proceeding or at trial, in addition to other relief available under this section. If the arbitrator or judge finds that the claim is frivolous and advanced without reasonable cause, the excavator defendant is entitled to a reasonable attorney's fee and costs. This finding shall be made upon motion by the prevailing party after final award or judgment or other proceeding terminating the claim as to the prevailing party. In no event may such a motion be filed more than thirty days after the entry of a final order or award.
- (7) In any action or arbitration proceedings brought under this section, the prevailing party is entitled to reasonable attorneys' fees.
- 37 (8) This section does not affect the rights of an excavator to 38 obtain contribution or indemnification from a third party for amounts 39 paid or owing to a claimant under this section. However, any action

SB 6680 p. 2

- 1 for contribution or indemnification is independent of proceedings under
- 2 this section.

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p. 3 SB 6680